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PART 428

BONDS AND INSURANCE

SUBPART 428.1--BONDS AND OTHER FINANCIAL PROTECTIONS

428.101 Bid Guarantees.

428.101-1 Policy on use.

The Senior Procurement Executive may authorize class waivers of the requirement to obtain bid guarantees.

428.106 Administration.

428.106-6 Furnishing information.

Heads of contracting activities (HCA's) or their designees may furnish certified copies of bonds and the contracts for which they were given as provided by [FAR 28.106-6\(c\)](#). Requesters may be required to pay costs of certification and copying established by the Departmental Fee Schedule for records requests (7 CFR Part 1, subpart A, appendix A).

SUBPART 428.2--SURETIES AND OTHER SECURITY FOR BONDS

428.203 Acceptability of individual sureties.

Evidence of possible criminal or fraudulent activities by an individual surety shall be reported to the Office of Inspector General in accordance with Departmental Regulations (1700 series).

428.204 Alternatives in lieu of corporate or individual sureties.

HCA's shall establish procedures to ensure protection and conveyance of deposited securities of the types listed in [FAR 28.204-1](#) through [28.204-3](#).

428.204-2 Certified or cashier's checks, bank drafts, money orders, or currency.

The contracting officer shall insert the provision at [452.228-70](#), Alternative Forms of Security, in a solicitation if a bond is required.

SUBPART 428.3--INSURANCE

428.307 Insurance under cost-reimbursement contracts.

428.307-1 Group insurance plans.

Under cost-reimbursement contracts, before buying insurance under a group insurance plan, the contractor shall submit the plan to the contracting officer for review. During review, the contracting officer shall use all sources of information available, such as audits, industry practice, or other sources of information, to determine whether acceptance of the plan submitted would be in the Government's best interest.

428.310 Contract clause for work on a Government installation.

The contracting officer shall insert the clause at [452.228-71](#), Insurance Coverage, in solicitations and contracts which include the clause at [FAR 52.228-5](#), Insurance - Work on a Government Installation. If property liability insurance is required, the contracting officer shall use the clause with its Alternate I.

428.370 Government-owned vehicles operated in foreign countries.

USDA is authorized to obtain insurance to cover liability incurred by any of its employees while acting within the scope of their employment and operating a Government-owned vehicle in a foreign country. (7 U.S.C. 2262).

